

331.391 Regional finances.

1. The funding under the control of the governing board shall be maintained in a combined account. A county exempted under [section 331.389, subsection 1](#), shall maintain a county mental health and disability services fund for the deposit of funding received under [section 225C.7A](#) and appropriations specifically authorized to be made from the county mental health and disability services fund shall not be made from any other fund of the county. A county mental health and disability services fund established by an exempt county, to the extent feasible, shall be considered to be the same as a region combined account and shall be subject to the same requirements as a region's combined account.

2. The accounting system and financial reporting to the department shall conform with the cost principles for state, local, and Indian tribal governments issued by the United States office of management and budget. The information shall segregate expenditures for administration, purchase of service, and enterprise costs for which the region is a service provider or is directly billing and collecting payments and shall be identified along with other financial information in a uniform chart of accounts prescribed by the department of management. Following periodic review of administrative costs, the department shall make recommendations, in consultation with the legislative services agency, for standards defining region administrative costs and the methodology for calculating a region's administrative load. Such standards shall be specified in rule adopted by the state commission.

3. The funding provided pursuant to appropriations from the mental health and disability services regional service fund created in [section 225C.7A](#) and from performance-based contracts with the department shall be credited to the account under the control of the governing board.

4. *a.* If a region is meeting the financial obligations for implementation of its regional service system management plan for a fiscal year and residual funding is anticipated, the regional administrator may reserve an adequate amount of unobligated and unencumbered funds for cash flow of expenditure obligations in the next fiscal year.

b. Each region shall certify to the department of human services on or before December 1, 2021, and each December 1 thereafter, the amount of the region's cash flow amount in the combined account at the conclusion of the most recently completed fiscal year.

c. For fiscal years beginning on or after July 1, 2023, the region's cash flow amount shall not exceed five percent of the actual expenditures from the combined account for the fiscal year preceding the fiscal year in progress.

[2012 Acts, ch 1120, §34, 37, 39; 2014 Acts, ch 1140, §75; 2017 Acts, ch 109, §4, 20, 21; 2019 Acts, ch 62, §1, 6, 7; 2021 Acts, ch 177, §87, 88, 108](#)

Referred to in [§225.24, 225C.7A, 331.389, 331.424A, 331.432](#)

Subsections 1, 3, and 4 amended